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Outline: Events in Germany and their implications

The analysis of East Corman uprisings I.

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while not final, is valuable.

It is based on information available as of 2 July

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East Home uprising began spontaneously on 16 June II.

- It was launched on a small scale by working class
  - Regime winked at early demonstration
- B. Uprising grew as other segments of population joined workers

Early intervention by E. German police was ineffective

- Soviets interceded after quickly deciding that situation was getting out of hand
  - This indicated distrust of effectiveness of People's Police

Potentially revolutionary situation developed, based on:

Videspread hatred of regime and its organs

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- B. Ten percent increase in production sorms actually only the last straw
- C. Drastically reduced standard of living
  - 1. Food shortage
  - 2. Chronic lack of consumer goods
- D. Conciliatory course assounced by SED Polithuro on 9 June afforded respite to get uprising under way
  - 1. Suggested reprisals would not be too severe
- E. SED leadership appeared confused.
- V. Large scale uprisings were doubtless spontaneous; local demonstrations showed signs of organization
  - A. Local indications suggested good mass discipline plus ad boc experienced leadership
  - B. Local demonstrations followed similar pattern
    - 1. Spreading of news of East Berlin strike
    - 3. Declaration of workers' solidarity
    - 3. Strikes
    - 4. Marches against SED strongholds

- C. Shop stewards and revolutionary tradition of German trade union movement played vital role in leadership
  - 1. "New" Soviet methods had affronted pride of German worker
- VI. East German developments demonstrate possibility of revolt from below even in communist police state
  - A. Krewlin must forestall similar development in Satellites
  - B. Soviet propaganda consequently alleges riots engineered from outside
  - C. "Uprising from below" theme useful in psychological warfare
    - 1. SED authority besed on Seviet bayonets
    - 2. SEO as instrument for repressing workers
    - 3. Soviet troops, "protectors of workers," used against them
    - 4. Communism, repressing revolution, is really reactionary

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VII. Riets have created problems of great magnitude for the

- A. Kremlin must now question value of East Germany as a base for an offensive against Western Europe
  - Lines of communication could not be protected
     by Germans in event of major war
- B. New economic program of SED could terminate in reduction of Seviet control over East Zone populace
- C. Demonstrated hostility of East Germans reduces
  usefulness of East Germany as a base for subverting
  West Germany
  - 1. Appeal of communism to West Germans has vanished
- D. Potency of unity campaign has diminished
- E. The SED carnot now muster wass popular support
  - 1. Eventually may be reduced to cadre organization
  - 2. Reports of coming ascendancy of bourgeois parties at this stage are, however, wishful and premature.

- a) They may, nevertheless, be brought more to the fore
- 3. Attempts to broaden the popular base of the SEO are likely
- F. Wibricht's future position is uncertain
  - 1. It appears, however, that his continued influence is assured
- VIII. The Kremlin, it would seem must now:
  - A. Maintain the SED in power; there is no other logical choice
    - 1. No major change expected in SED conciliatory tactics
  - B. Hake every effort to restore order before any fourpower conference is proposed
  - C. Maintain covert nucleus of communist control within
    East German bourgoois parties
    - 1. This would be done in any case, but would prepare

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torns

- A. Long range prospects for success of this maneuver are pot good
- IX. This analysis covers immediate German situation; broader implications exist
  - A. Can an alies, and hostile, people be held by force alone?
  - B. How far can concessions go, as an alternative. without sacrifice of control? This is the dilemma
- The current situation is the Eastern European Satellites X.
  - A. Press reports of large scale demonstrations in Poland are desied by US officials in Warsay.

	no evidence of
demonstrations or heights	

Reports of strikes and demonstrations in other Satellites are unconfirmed and probably untrue

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- C. The Hungarian, Albania, and Humanian regimes assounced concessions following the East German riots
  - Timing may have been influenced by German events;
     no other apparent connection
  - 2. Hungarian government and party reorganization in line with Eremlin's new conciliatory policy
- D. Reorganization of Eungarian regime apparently ends Rakosi's one-man rule
  - 1. Resembles reorganization in USSR and Czechoslovakia
  - 2. Rakosi retains principal Polithuro and
    Secretariat posts, but his job as Secretary General
    has been abolished, and he has dropped from the
    government
  - 3. Long-time communist Imre Nagy promoted to premership
  - 4. Former number-two man Erno Gero remains on

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Polithuro and gets additional duties as first

Deputy Premier and Minister of Interior

- 5. Now regime promines:
  - a) Slowdows in industrialization and collectivisation
  - b) Abolition of internment camps
  - c) Rise is living standards
- E. Albania on 22 June cancelled peasants' agricultural debts for 1949-1952
- F. Rumania has relaxed grain collection program and furnished additional foodstuffs to the people
- G. The Czech Government on 6 July repealed a week-old degree specifying stringest measures to combat absentecism
- H. These developments may presage a nofter policy through-